

MEMORANDUM

TO: District of Columbia Zoning Commission

FROM: Joshua Mitchum, Development Review Specialist
JL for Jennifer Steingasser, Deputy Director Design, Development & Preservation

DATE: September 26, 2025

SUBJECT: OP Public Hearing Report – Zoning Commission Case No. 15-28A, Request for a Modification with Hearing for an Approved Consolidated Planned Unit Development at 1225 3rd St. NE (Sq. 772, Lots 808, 812, 7000 & 7002).

I. BACKGROUND

ZC Order 15-28 (September 12, 2016) approved a consolidated Planned Unit Development (PUD) consisting of approximately 69,240 square feet of land area, bordered by N Street, NE and Florida Avenue, NE to the north, a public alley to the south, 4th Street, NE to the east, and 3rd Street, NE to the west. The specific property that is the subject of this modification request consists of 24,013 square feet of land area and covers the western portion along 3rd Street. The Overall PUD site is redeveloped as a mixed-use residential and commercial project with underground parking and ground-floor retail. It includes two residential components, a hotel, office/retail space, and additional ground-floor retail.

The requested modification involves the West Building of the Approved PUD containing the NCP Building at the northwest corner, for ground-floor retail and two floors of office and/or retail space. An 11-story, 110-foot residential structure with approximately 96 residential units and ground-floor retail was approved between the National Capital Press (NCP) Building and the East Building. Additionally, an 11-story, 110-foot hotel with approximately 175 rooms, or alternatively a residential building, was approved at the southeast corner of the site. The hotel is the last remaining component of the Approved PUD to be constructed and is the subject of this application.

The Office of Planning (OP) filed a report on May 19, 2025, recommending set down of the modifications for a public hearing ([Exhibit 15](#)). This report provides a comprehensive description of the proposed modifications and OP analysis, including Comprehensive Plan analysis through a Racial Equity Lens.

Since setdown, the Applicant has submitted two revisions to the proposed plans, as detailed in Applicant [Exhibit 20A](#):

- (1) As a result of feedback received from ANC 6C, the Applicant has revised their proposal to remove the proposal to modify the approved PUD to allow a portion of the ground floor approved for retail / commercial use to be used for hotel use (Exhibit 20B1, Exhibit 20B2, Exhibit 20B3).
- (2) The Applicant has revised their proposal to reduce the number of hotel guest rooms from the originally proposed 189 rooms down to 179 rooms. This new request represents an increase of

four units from the current guest room count of 175 units granted in ZC Order No. 15-28. The Applicant continues to request flexibility to vary the final number of guest rooms by +/- 10%.

OP has no concerns with these revisions.

Furthermore, per ANC 6C's concern regarding the use of amplified music as part of the Applicant's eating and drinking establishment proposal, the Applicant requests that the Zoning Commission consider the following conditions in its final order to the extent it deems necessary:

- (1) The Applicant shall not permit outdoor amplified music on such terrace or any other rooftop outdoor space(s) of the Project during the hours of 10:00 p.m. to 8:00 a.m.. The Applicant may permit outdoor amplified music during the hours of 8:00 a.m. to 10:00 p.m. on such terrace or other rooftop outdoor space(s), provided that such outdoor amplified music shall not exceed 65 db(A) when measured at the Property line.
- (2) The Applicant may permit indoor amplified music during the hours of operation of any eating and drinking establishment use located inside the Project's penthouse, provided such indoor amplified shall not exceed 65 db(A) when measured at the Property line.
- (3) The Applicant shall maintain a recording device at the 3rd Street NE property line that will monitor sound levels caused by the Project's use of amplified music on the rooftop and maintain a record of the prior 30 days.

OP has reviewed the Applicant's proposed conditions and has no objections.

II. RECOMMENDATION

The Office of Planning recommends the Commission **approve** the following modifications to the approved PUD, as requested by the Applicant:

- Modifications to exterior architectural elements; number of guest rooms; and penthouse design; and
- Addition of conditions related to amplified music in the rooftop outdoor space.

OP also recommends **approval** of the following relief from the Zoning Regulations:

- Special Exception relief to allow an eating and drinking establishment within the penthouse and on the outdoor terrace located at the penthouse level, pursuant to Subtitle C § 1501.1(d).

III. PROPOSED MODIFICATIONS AND OFFICE OF PLANNING ANALYSIS

Please refer to the OP setdown report at [Exhibit 15](#) for additional analysis.

A. MODIFICATION REQUESTS

Modifications to Exterior Architectural Elements

The Applicant proposes to modify specific exterior architectural elements of the hotel structure to align with interior programmatic needs identified by potential hotel operators, including alterations to the north, south, and west facades of the hotel, maintaining a dark-to-medium-grey brick as the primary exterior material:

- On the north facade, reduce window dimensions while retaining their two-story expression.
- On the west facade, replace the recessed windows and shallow terraces on the upper guest room floors with a fixed window system, slightly recessed from the main facade.

- On the ground floor, modify window pattern on the south side to include fewer, larger windows that enhance interaction with the public space and alley, while maintaining the window pattern consistency on upper floors; and
- On the north and south facades, add brick banding to provide increased articulation and visual interest, and architecturally enhance the roof plane.

OP supports these modifications as they do not substantially change the bulk, form, height, or use of the building. Furthermore, the proposed changes do not represent an improvement but not a significant departure from the overall aesthetic direction that was approved for the subject property in the Approved PUD.

Modification to Hotel Guest Room Count and Related Flexibility

Under the Order, the Commission approved an 11-story hotel with approximately 175 hotel guest rooms (or residential condominiums) at the southeast corner of the Overall PUD Site. The Applicant is targeting a guest room count of 179 (down from the originally requested 189 units), but is requesting flexibility depending on the hotel brand that is ultimately chosen. Accordingly, the Applicant continues to request a modification to Condition 3 of the Order to add the following flexibility:

- To vary the number of hotel guest rooms by +/- 10%, provided that such variation does not substantially alter the exterior configuration or appearance of the building.

This flexibility reflects similar flexibility already permitted for residential units in the Approved PUD in Condition 3(g) of the Order.

OP supports this modification to the hotel room count, and the requested flexibility, both of which would impact the internal layout of the building, rather than the form, height or bulk approved in the original Order. The Applicant would continue to preserve and rehabilitate the NCP Building as well as maintain retail space designated for "maker" uses, as defined in the original order.

Modification of Penthouse Design and Use

Per the Order, the hotel penthouse includes both enclosed and unenclosed mechanical space, along with approximately 2,400 GFA of amenity space. The proposed modifications would reposition the penthouse footprint away from 3rd Street NW and expand its dimensions in the north-south direction to create a larger outdoor terrace space on the west side of the hotel roof and accommodate a new eating and drinking establishment featuring a bar and dining area (a use permitted by special exception), kitchen, and restrooms.

The establishment would occupy roughly 2,700 GFA of habitable penthouse space. Special exception relief would be required to allow an eating and drinking establishment at the hotel's penthouse and outdoor terrace level, pursuant to Subtitle C § 1501.1(d); OP's analysis is below.

Additionally, the Applicant proposes to update the penthouse design, to feature typical storefront windows and doors, clad in dark metal paneling, and a window wall system that would enclose the perimeter of the new eating and drinking establishment. This is intended to create a more luminous and spacious environment.

OP supports the proposed modifications, which would add an amenity that enhances the current hotel use without introducing elements that significantly change the bulk, form, height or use of the building.

Although the footprint would expand towards the north and south, it would maintain a setback of 1:1 from the roof edge along 3rd Street by approximately 33 feet and nine inches—exceeding the required 1:1 setback considerably.

B. SPECIAL EXCEPTION RELIEF REQUEST

The Applicant is requesting special exception relief to facilitate an eating and drinking establishment within the hotel’s penthouse and on the outdoor terrace located at the penthouse level. This relief is requested pursuant to Subtitle C § 1501.1(d), which requires the Applicant to meet the general special exception criteria outlined in Subtitle X § 901.2. OP’s analysis of this section is as follows.

Subtitle X § 901 SPECIAL EXCEPTION REVIEW STANDARDS

901.2 The Board of Zoning Adjustment is authorized under § 8 of the Zoning Act, D.C. Official Code § 6-641.07(g)(2), to grant special exceptions, as provided in this title, where, in the judgment of the Board of Zoning Adjustment, the special exceptions:

- (a) Will be in harmony with the general purpose and intent of the Zoning Regulations and Zoning Maps;*

Restaurants, bars, and lounges are allowed by right in the MU-9 Zone. The proposed eating and drinking establishment would be in harmony with the general purpose and intent of Zoning Regulations and the MU-9 PUD-related zoning (high-density mixed-use development), as the proposed use within a penthouse space is permitted via special exception in the MU-9 Zone. This includes office, retail, and housing with a focus on employment and residential use.

- (b) Will not tend to affect adversely, the use of neighboring property in accordance with the Zoning Regulations and Zoning Maps; and*

The proposed eating and drinking establishment should not adversely affect the use of neighboring properties. The limited size and location of the establishment at the roof level should mitigate its potential impact on the neighborhood and ensure its compatibility with adjacent uses. In addition, the proposed establishment is surrounded by other high- or medium-density mixed-use developments that provide a buffer for the lower-scale residential rowhomes to the east and south, which are located a minimum of 400 feet from the Property. Finally, the proposed eating and drinking establishment would be subject to all applicable District noise control laws and review by the ABCA which will further mitigate potential for adverse effects on neighboring properties related to noise and hours of operation.

C. COMPREHENSIVE PLAN

For a PUD modification request, the evaluation of the Comprehensive Plan is limited to assessing the consistency of the proposed modifications to the Approved PUD, including when examined through a racial equity lens. On balance, the proposed PUD modifications, including the additional changes requested since setdown, should have a generally neutral impact on consistency with the Comprehensive Plan, including when viewed through a racial equity lens, with some potential positive effects on access to economic opportunity. No significant inconsistencies were identified between the proposed modifications and applicable Comp Plan policies. The proposed PUD including the modification would support

multiple Comp Plan policies, including those within Central Washington Area Element, Land Use Element, Housing Element, Economic Development Element, Urban Design Element, and Historic Preservation Element.

The Applicant filing at Exhibit 3 and the OP Setdown Report at Exhibit 15 provide a review of the proposal against the Comprehensive Plan, including when viewed through a racial equity lens. Subtitle Z-704.3 states that a modification with a hearing “*shall meet the requirements for, and be processed as, a second-stage PUD application.*” Further, the application requirements in Z§300.12(k), requires “*an updated racial equity analysis since the first-stage PUD was approved*”.

According to the Racial Equity Tool, the Commission will use the following criteria, themes and questions in its evaluation of a zoning action’s consistency with the Comprehensive Plan, as viewed through a racial equity lens.

- ***What Comprehensive Plan policies related to racial equity will potentially be advanced by approval of the zoning action?***

Approval of the proposed zoning action would not significantly advance or impede the stated policies of the Comprehensive Plan related to equity. The addition of the eating and drinking establishment in the penthouse could create some additional employment opportunities for area residents.

- ***What Comprehensive Plan policies related to racial equity will potentially not be advanced by approval of the zoning action?***

A review of the Comprehensive Plan did not indicate any policies related to racial equity that would be significantly impaired by the proposed modification to the PUD.

- ***When considering the following themes/questions based on Comprehensive Plan policies related to racial equity, what are the anticipated positive and negative impacts and/or outcomes of the zoning action? Note: Additional themes may also apply.***

Factor	Question	OP Response
Direct Displacement	Will the zoning action result in displacement of tenants or residents?	The site is currently vacant and the hotel has no residential uses, so the proposed special exception relief would not result in any direct displacement of hotel or neighborhood residents.
Indirect Displacement	What examples of indirect displacement might result from the zoning action?	No indirect displacement is anticipated to result from the requested modifications or zoning relief. The provision of a new drinking establishment should not affect housing costs in the vicinity, nor affect new housing options and opportunities for existing neighborhood residents.
Housing	Will the action result in changes to: <ul style="list-style-type: none"> ▪ Market Rate Housing ▪ Affordable Housing ▪ Replacement Housing 	The proposed use and exterior modifications would not have a significant effect on new housing development. The HPTF contribution generated by the rooftop eating and drinking establishment would assist in maintaining or constructing affordable housing in the District.

Factor	Question	OP Response
Physical	Will the action result in changes to the physical environment such as: <ul style="list-style-type: none">▪ Public Space Improvements▪ Infrastructure Improvements▪ Arts and Culture▪ Environmental Changes▪ Streetscape Improvements	The property is currently required to comply with the most current standards for these areas, as well as with the requirements of the PUD. The proposed changes should not impact the physical environment components as stated. Overall, the PUD should result in significant improvements to the public realm.
Employment Opportunity	Is there a change in access to opportunity? <ul style="list-style-type: none">▪ Job Training/Creation	The proposed eating and drinking establishment could provide new employment opportunities, especially considering the requested use modification of the NCP Building. The hotel use approved in the PUD would provide significant employment opportunities to area residents; the proposed small reduction in the number of guest rooms would not significantly impact this benefit.
Access to Services	<ul style="list-style-type: none">▪ Healthcare▪ Addition of Retail/Access to New Services	The modification would not result in new services or impacts on existing services. The site is close to amenities which is a benefit to visitors in NoMa and Union Market areas. The site is also close to transit, providing access for guests and employees.
Community	How did community outreach and engagement inform/change the zoning action?	The Applicant's statement at Exhibit 3 notes discussions with the ANC, property owners and residents close to the site, and the NoMa BID, and will continue this outreach. Per Exhibit 20A , the Applicant has submitted revised plans that reflected comments and concerns raised by ANC 6C at the ANC's September 3, 2025, and September 10, 2025 meetings with the Applicant.

V. OTHER DISTRICT AGENCY COMMENTS

At [Exhibit 22](#) is a memo from DDOT indicating no objection to the modifications. As of the date of this report, comments from other District agencies have not been received.

VI. ANC COMMENTS

A report from ANC 6C in support of the updated modifications has been submitted to the record as Exhibit 21.

VII. COMMUNITY COMMENTS

As of the date of this report, comments from the community have not been submitted into the record.

VIII. LOCATION MAP

